

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 207659

63

ORIGIN INT-05

INFO OCT-01 EA-07 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01

CIAE-00 CIEP-01 COME-00 DODE-00 EB-07 FPC-01 H-02

INR-07 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06

SAM-01 OES-06 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 /097 R

DRAFTED BY INT/DOTA/JBERG

APPROVED BY INT/DOTA/FZEDER

STATE/EA/RWILLIAMS

INT/OMSN/ADEGRAFFENREID

----- 069657

P 202012Z AUG 76

FM SECSTATE WASHDC

TO AMEMBASSY TOKYO PRIORITY

LIMITED OFFICIAL USE STATE 207659

E.O. 11652: N/A

TAGS: PGOV, JQ

SUBJECT: PALAU SUPERPORT

DOTA NO. 42L- 066-MS

REF (A) TOKYO 11291, (B) TOKYO 12013

ON JUNE 21, INTERIOR DEPT ORGANIZED AN INFORMATIONAL MEETING RELATING TO THE PALAU SUPERPORT ISSUE. PURPOSE OF MEETING WAS TO BRING DIFFERENT INTERESTED FEDERAL AGENCIES UP TO DATE ON LATEST DEVELOPMENTS AND TO INVOLVE OUTSIDE OF GOVERNMENT GROUPS FOR FIRST TIME.

DURING SPRING OF THIS YEAR, ROBERT PANERO ASSOCIATES PERSONNEL HAD CONDUCTED A SERIES OF SITE SURVEYS IN PALAU
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 207659

WITH REGARD TO AN OIL TRANSSHIPMENT FACILITY. FACTORS

CONCERED WERE PREVAILING WINDS AND TIDES, NATURAL HARBOR FEATURES, AND ABILITY OF SITES TO BE SEALED OFF FROM OTHER PALAUN WATERWAYS IN CASE OF ACCIDENT. TWELVE SITES WERE IDENTIFIED AND ARE NOT CONCENTRATED IN ANY ONE AREA OF PALAU. PANERO AND CONSULTANTS PRESENTED SLIDES OF EACH AREA TOGETHER WITH TECHNICAL DATA CONCERNING FINDINGS AND MEASUREMENTS AGAINST ABOVE FACTORS. TWELVE AREAS WERE CONSIDERED OF WHICH SIX WERE EXAMINED SERIOUSLY. THE NEXT STAGE OF THE PROJECT INCLUDES A DETAILED

FEASIBILITY STUDY.

A QUESTION AND ANSWER SESSION FOLLOWED THE BRIEFING. FEDERAL AGENCY REPRESENTATIVES GENERALLY POSED QUESTIONS RELEVANT TO THEIR AGENCY CONCERNS. CONSIDERABLE TIME WAS SPENT ON DISCUSSION OF THE ECONOMICS OF SUPERTANKERS AND THE ECONOMIC FEASIBILITY OF PROJECT FROM NISSHO-IWA POINT OF VIEW. NISSHO-IWA WAS REPRESENTED BY ITS PROJECT MANAGER. PANERO ALSO RESPONDED THAT THIS ISSUE WILL BE ADDRESSED BY NISSHO-IWAI IN FEASIBILITY STUDY. OUTSIDE OF GOVERNMENT ENVIRONMENTAL GROUPS PARTICIPATED IN MEETING AT INTERIOR INVITATION. PURPOSE OF THIS WAS TO INDICATE THAT THERE IS NO SECRET COLLUSION BETWEEN USG AND JAPANESE PROMOTERS AND SO THAT THE ENVIRONMENTAL AND ECOLOGICAL CONCERNS WHICH MAY BE RAISED AT SOME FUTURE POINT WILL SURFACE AND BE ADDRESSED EARLY. QUESTIONING WAS POLITE AND INFORMATIVE BUT NOT EXTREMELY DETAILED IN THIS AREA.

AT THE MEETING, COPIES OF AN AGREEMENT BETWEEN THE GOVERNMENT OF THE TRUST TERRITORY OF THE PACIFIC ISLANDS AND THE NISSHO-IWAI COMPANY OF JAPAN WERE DISTRIBUTED. THE DATE OF THE AGREEMENT IS 30 APRIL WITH A SMALL ADDENDA DATED 5 MAY. BY THE AGREEMENT, THE GOVERNMENT GRANTS TO NISSHO-IWAI "THE EXCLUSIVE RIGHT TO ENTER INTO THE AREA DESCRIBED BELOW (PALAU DISTRICT) FOR THE PURPOSES OF CONDUCTING INITIAL EXPLORATION, DEVELOPMENT AND FEASIBILITY STUDIES, AND OF CONDUCTING TECHNICAL, ENVIRONMENTAL, ECONOMIC AND FINANCIAL ASSESSMENT TO DETERMINE THE COMMERCIAL AND TECHNICAL VIABILITY OF THE PALAU SUPERPORT PROJECT..."

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 207659

THE AGREEMENT EXTENDS ONLY TO PUBLIC LAND AND WATER AREAS AND RUNS FOR A PERIOD OF TWO YEARS.

THE CONTRACTOR IS SPENDING ITS OWN RESOURCES ON THE STUDY. SECTION 4(C) OF THE AGREEMENT PROVIDES THAT THE STUDY SHALL REMAIN THE PROPERTY OF THE CONTRACTOR AND SHALL BE RE-LEASED TO THE PUBLIC ONLY AT THE DISCRETION OF THE CONTRACTOR FOR A PERIOD OF FIVE YEARS. AFTER THAT, THE COPIES

OF THE STUDY IN THE POSSESSION OF THE TRUST TERRITORY GOVERNMENT SHALL BECOME PART OF THE PUBLIC DOMAIN. THIS IS NOT TO SAY THAT THE CONTRACTOR WILL NOT RELEASE PART OR ALL OF THE STUDY EARLIER. IT IS UNDERSTOOD, HOWEVER, THAT THE STUDY MAY CONTAIN SOME MARKET AND DISTRIBUTION INFORMATION OF A COMPETITIVE NATURE WHICH THE CONTRACTOR MAY NOT WANT RELEASED INITIALLY. IN INTERIOR'S JUDGMENT, HOWEVER, CONTRACTOR IS WELL AWARE OF NEED TO BE AS FORTHCOMING AS

POSSIBLE REGARDING DISSEMINATION OF INFORMATION. FINALLY, ALL MEETING PARTICIPANTS UNDERSTAND THAT NO PROJECT MAY GO FORWARD WITHOUT OFFICIAL APPROVAL OF PALAU DISTRICT FOREIGN INVESTMENT BOARD. SUCH A PROPOSAL WILL OF NECESSITY INCLUDE DETAILED INFORMATION ABOUT PROJECT ON WHICH PALAUAN ORGANIZATIONS MAY BASE THEIR DECISION.

WOULD APPRECIATE ANY ADDITIONAL INFORMATION EMBASSY MAY HAVE REGARDING DOLLARS THREE MILLION COMMITMENT BY MITI TO NISSHO-ISAI FOR FEASIBILITY STUDY AS REPORTED IN REF. A. WE UNDERSTAND MITI COMMITMENT IS FOR YEN THREE MILLION WHICH EQUALS APPROXIMATELY DOLLARS ONE HUNDRED THOUSAND. PLEASE CONFIRM. DOTA ZEDER SENDS HABIB

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, PUBLIC ATTITUDES, PORTS, MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 20 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: BoyleJA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE207659
Document Source: CORE
Document Unique ID: 00
Drafter: DOTA/JBERG
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760320-0505
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760833/aaaabccy.tel
Line Count: 137
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN INT
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 TOKYO 11291, 76 TOKYO 12013
Review Action: RELEASED, APPROVED
Review Authority: BoyleJA
Review Comment: n/a
Review Content Flags:
Review Date: 27 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <27 MAY 2004 by ifshinsr>; APPROVED <23 SEP 2004 by BoyleJA>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PALAU SUPERPORT DOTA NO. 42L- 066-MS
TAGS: PGOV, EWWT, JQ, JA, US
To: TOKYO
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006